

# Wealth Management

## INSTRUCTOR

Eric Olson, Ph.D., Mervin Bovaird Foundation Endowed Professorship in Business,  
Associate Professor of Finance

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CIMBA Faculty Office 1

## CLASS MEETING TIMES

A3 Classes, Room 18

## DROP-IN HOURS

Drop-In HOURS Time:

MWF 11:00 AM – 1:30 PM (Weeks 1–6);

Tuesdays and Thursdays from 11:00 AM – 1:30 PM (Week 7 – End of Semester).

Location: CIMBA Faculty Office 11

Purpose: These hours are specifically reserved to support your success in this course. I encourage you to stop by during these times to ask questions about course material, clarify assignments, or discuss your expectations for the class. In addition to reviewing course content, this time allows us to get to know one another better and provides a space for me to offer any extra help you may need throughout the semester.

## COURSE SITE

To access the course site, [log into Iowa Courses Online \(ICON\)](https://icon.uiowa.edu/index.shtml) (<https://icon.uiowa.edu/index.shtml>) using your Hawk ID and password.

## ACADEMIC COURSE HOME

CIMBA Italy

Faculty Head: Zach Linge

Phone: +39-0423-932120

Email: [zach-linge@uiowa.edu](mailto:zach-linge@uiowa.edu)

## PROGRAM GOALS

The Tippie College of Business Undergraduate Program has learning goals that drive decisions about curriculum and assignments within courses.

Program Goal 1: Graduates will use analytical, creative and collaborative approaches to solving complex, ambiguous problems

Program Goal 2: Graduates will demonstrate effective written, spoken and visual communication

Program Goal 3: Graduates will obtain global awareness and understanding

Program Goal 4: Graduates will demonstrate ethical reasoning

Program Goal 5: Graduates will obtain professional preparation

## COURSE DESCRIPTION AND GOALS

This course teaches wealth management by examining how financial professionals and institutions have navigated—or failed to navigate—major financial crises throughout history. Each crisis becomes a teaching vehicle for core wealth management concepts (portfolio construction, risk measurement, client relationships, fiduciary duty) while simultaneously exploring the neuroscience of decision-making under stress, integrating CIMBA's neuroscience concepts.

Students will analyze historical crises from the South Sea Bubble through the 2008 Global Financial Crisis and COVID-19 crash, learning both the technical tools of modern portfolio theory and the behavioral insights that explain why smart professionals repeatedly make predictable mistakes.

**Objective 1:** Apply modern portfolio theory concepts (diversification, optimization, risk measurement) to construct and evaluate investment portfolios

**Objective 2:** Analyze historical financial crises to understand the origins and evolution of current wealth management practices

**Objective 3:** Evaluate client risk profiles and recommend appropriate investment strategies that align with fiduciary duty standards

**Objective 4:** Recognize how stress and cognitive biases affect financial decision-making in both clients and practitioners

**Objective 5:** Apply self-regulation strategies from CIMBA LIFE concepts to improve professional judgment under pressure

**Objective 6:** Explain how country differences in economic, political, regulatory, and historical contexts affect wealth management practice, with emphasis on European vs. U.S. approaches

## MEDIA/SYSTEM REQUIREMENTS

Technical requirements for completing this class include:

- Student-provided personal computer with reliable Internet access.
- If you need assistive technologies that has different computer and technology requirements, then you will be responsible for making those arrangements. Please check with [Student](#)

[Disability Services](https://sds.studentlife.uiowa.edu): (<https://sds.studentlife.uiowa.edu>) to determine the requirements for specific technologies and for assistance if necessary.

## TEXTBOOK/MATERIALS

**There is no required textbook.** All readings will be posted weekly on ICON. Readings include academic papers, case studies, and book chapters drawn from leading finance journals and Harvard Business School cases.

- Ferguson, Niall. *The Ascent of Money*
- Kindleberger & Aliber. *Manias, Panics, and Crashes*
- Calomiris & Haber. *Fragile by Design*

## GRADING CRITERIA

Final course grades will be assessed based on the student’s performance in the following activities:

Graded Item	Points	% of Final Grade
Daily Quizzes	100	10%
Homework	200	20%
Presentation	200	20%
Midterm Exam	200	20%
Final Exam	300	30%

Grade Scale	Points
A	900 – 1000
B	800 – 899
C	700 – 799
D	600 – 699
F	Below 600

## COURSE WORK

**Quizzes:** There will be daily quizzes given each class period covering the previous class as well as the assigned readings.

**Homework Assignments (4):** Students are required to complete and submit 4 homework assignments.

**Presentation (1):** Students are required to make one presentation as a team. It will be a hypothetical presentation to a rich family office that has \$10billion in assets. The presentation will use historical examples and current events to describe how they believe financial markets and the world economy are likely to evolve over the next 10 years.

**Exams (2):** Students are required to take one midterm and one final exam. Each exam will be cumulative of the material covered to that point.

## STUDENT SUPPORT RESOURCES

If you require additional resources for academic support, basic need fulfillment, wellness, finding community, and professional development, please contact Jayme Ringleb at [jayme-ringleb@uiowa.edu](mailto:jayme-ringleb@uiowa.edu).

## COURSE-SPECIFIC POLICIES AND GUIDELINES

**Technology Policy:** Cell phones and other mobile devices are not permitted during class and must be silenced and stored out of sight (in a bag or pocket) for the duration of each session. Laptops and tablets are permitted only during designated times as announced by the instructor. Outside of these designated times, laptops must remain closed. Research consistently shows that device use during lectures impairs learning for both the user and surrounding students. If you have a documented accommodation requiring device use, please speak with me privately.

**AI Policy:** Use of AI tools, including ChatGPT, is permitted in this course for students who wish to use them. To be consistent with our scholarly values, students must cite any AI-generated material that informed their work and use quotation marks or other appropriate indicators of quoted material when appropriate. Students should indicate how AI tools informed their process and the final product, including how you validated any AI-generated citations, which may be invented by the AI. Assignment guidelines will provide additional guidance as to how these tools might be part of your process for each assessment this semester and how to provide transparency about their use in your work.

**Communications:** Students can expect to receive weekly communications from the instructor (via course “Announcements” in ICON). Students are also responsible for all official correspondence sent through their University of Iowa email address. Students can expect to receive responses to email inquiries within 24-48 hours. Privacy considerations, such as federal law, may apply when using an address other than the standard University e-mail address.

**Exams:** Students are expected to take the exams at the regularly scheduled times, unless permission has been granted by the instructor at least 2 weeks in advance in writing. All exams are INDIVIDUAL WORK and collaboration on exams is not permitted under any circumstance.

**Attendance:** CIMBA is an immersive academic study-abroad program, and regular attendance is essential to student learning and program integrity. Students are subject to CIMBA’s program-wide

policies, which establishes attendance as a condition of program participation. Three cumulative unexcused absences from a course may result in program-level consequences, up to and including dismissal from the program, independent of course grades. This course's attendance expectations and the impact of absences on grading are described below. Additionally, excused absences for this course align with CIMBA policy and include documented illness, approved academic or program activities, religious observances, and approved accommodations. Students should communicate with the instructor as soon as possible regarding any absence.

**Late Work:** Because I regard this class as I would any job responsibility, I hold you to strict standards of timeliness and ethics. In this regard, late work is unprofessional and will be penalized. Assignments that are late will not be accepted

**Inclement Weather/Class Cancellation:** Although it is our intent to offer every class at its assigned time, on rare occasion there are weather or other emergency events that require that alternative arrangements are made for class delivery. If that happens, please stay alert for an email from me indicating how the class will be handled. This may include: 1) cancelling the class completely – all reading and work that was due is expected to be completed and turned in on time through ICON; 2) holding an online version of the class (i.e., via Zoom)– you will receive an email invitation to join the session remotely from a computer with an internet connection – headphones are recommended; 3) using recorded videos and presenting other materials to you through ICON so we can cover the course materials asynchronously.

**Class Recording Policy:** Some of the sessions in this course will be recorded or live-streamed. Such recordings/streaming will only be available to students registered for this class. These recordings are the intellectual property of the faculty, and they may not be shared or reproduced without the explicit, written consent of the faculty member. Further, students may not share these sessions with those not in the class or upload them to any other online environment. Doing so would be a breach of the Code of Student Conduct, and, in some cases, a violation of the Federal Education Rights and Privacy Act (FERPA).

## COLLEGIATE AND UNIVERSITY POLICIES AND GUIDELINES

The administrative home of this course is the Tippie College of Business, which governs academic matters relating to the course, such as the add/drop deadlines, the second-grade-only option, issues concerning [academic misconduct](#), and how credits are applied for various graduation requirements. Different colleges might have different policies.

Students at Tippie adhere to an honor code that emphasizes the importance of honesty and integrity. Student concerns about this class or your performance in it can be discussed directly with the instructor. If you do not feel that your concern has been resolved satisfactorily, you should first contact the CIMBA Italy faculty head (contact information provided at the top of page one of this syllabus). More details about these and other policies are available on the [Tippie website](#).

The University of Iowa is committed to the [protection of freedom of speech and the principles of academic and artistic freedom, to accommodating students with disabilities, and to accommodating absences due to religious holidays and military obligations](#). In addition, students are expected to comply with the University's Code of Student Life. The University is also committed to non-discrimination and prohibits all forms of sexual harassment, sexual misconduct, and related

retaliation. The University also provides resources for student mental health as well as for the basic needs and support of students.

Students are expected to comply with University policies regarding appropriate classroom behavior as outlined in the [Code of Student Life](#). While students have the right to express themselves and participate freely in class, it is expected that students will behave with the same level of courtesy and respect in the virtual class setting (whether asynchronous or synchronous) as they would in an in-person classroom. Failure to follow behavior expectations as outlined in the [Code of Student Life](#) may be addressed by the instructor and may also result in discipline under the [Code of Student Life](#) policies governing E.5 Disruptive Behavior or E.6 Failure to Comply with University Directive.



**COURSE CALENDAR**

**Note:** This is a tentative course outline and subject to change. Specific readings for each week will be posted on ICON. All readings are provided—no textbook purchase required.

	<b>Assignment Dates</b>	<b>Topics</b>
Week 1/Week 2		<p><b>Why Crises Are the Best Teachers:</b> Survey of major financial crises</p> <p><b>Wealth Management Topics:</b></p> <ul style="list-style-type: none"> <li>Introduction to Wealth Management and the Advisory Process</li> <li>Overview of the Wealth Management Industry</li> <li>Types of Investors: Individual vs. Institutional (Pensions, Endowments, Foundations, Insurance Companies)</li> <li>Financial Products Overview I: Equities, Fixed Income, and Cash Equivalents</li> </ul> <p><b>Neuroscience/Behavioral:</b> Stress and Decision-Making; The Physiological Impact of Financial Loss</p>
Week 1/Week 2		<p><b>Early Bubbles — Tulip Mania, South Sea, Mississippi Scheme:</b> 17th-18th Century Speculative Manias</p> <ul style="list-style-type: none"> <li>• <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ Financial Products Overview II: Mutual Funds, ETFs, and Alternative Investments</li> <li>○ The Investment Policy Statement (IPS): Purpose, Components, Return Objectives (Absolute vs. Relative)</li> <li>○ Distinguishing Speculation vs. Fundamental Investment</li> <li>○ Investment Strategies: Growth, GARP, and Value Investing</li> </ul> </li> <li>• <b>Neuroscience/Behavioral:</b> Herding behavior; FOMO as a neurological phenomenon; Cognitive Biases in Investment Selection</li> </ul>
Week 3	<p><b>HW 1</b> Due: Feb. 13<sup>th</sup></p>	<p><b>America's Financial Foundation — 1792 Panic</b> Hamilton's financial system, Wall Street's first panic and bailout</p> <ul style="list-style-type: none"> <li>• <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ Financial Products Overview III: Insurance Products and Annuities</li> <li>○ Risk Tolerance vs. Risk Capacity (Willingness vs. Ability to Take Risk)</li> <li>○ Investment Constraints: Liquidity, Time Horizon, Tax, Legal/Regulatory, Unique Circumstances</li> <li>○ The "Risk-Free" Rate: Government Securities as Portfolio Anchors</li> </ul> </li> <li>• <b>Neuroscience/Behavioral:</b> Trust and institutional credibility; Information asymmetry; Overconfidence</li> </ul>
Week 4		<p><b>Banking Instability — Antebellum America:</b> Bank failures, "Free Banking" experiments (1830s-1850s)</p> <ul style="list-style-type: none"> <li>• <b>Wealth Management Topics:</b></li> </ul>

		<ul style="list-style-type: none"> <li>○ Measuring Financial Risk: Credit Risk and Default</li> <li>○ Bank Balance Sheet Analysis (Assets, Liabilities, Capital)</li> <li>○ Systematic vs. Unsystematic Risk</li> <li>● <b>Neuroscience/Behavioral:</b> Bank runs as self-fulfilling prophecies; Information cascades; Managing Uncertainty</li> </ul>
Week 5		<p><b>The Great Depression:</b> 1929 Crash and 1930-33 Banking Panics</p> <ul style="list-style-type: none"> <li>● <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ Modern Portfolio Theory (MPT): Foundations and Principles</li> <li>○ Mean-Variance Optimization, Efficient Frontier, and Global Minimum Variance Portfolio</li> <li>○ Capital Allocation Line (CAL) and Capital Market Line (CML)</li> <li>○ Correlation and Covariance in Asset Allocation</li> </ul> </li> <li>● <b>Neuroscience/Behavioral:</b> The Brain Under Financial Stress; Generational trauma and risk preferences; Loss aversion origins</li> </ul>
Week 6	<p><b>HW 2:</b> Due March 3<sup>rd</sup></p>	<p><b>Stagflation Era (1970s):</b> Bretton Woods collapse, Oil Shocks, Inflation (1971-1982)</p> <ul style="list-style-type: none"> <li>● <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ CAPM and the Security Market Line (SML): Beta and Expected Return</li> <li>○ Insurance and Protection Planning: Life, Disability, Long-Term Care, P&amp;C</li> <li>○ Compounding and Time Value of Money in High-Inflation Environments</li> <li>○ Real Assets: Commodities, REITs, and TIPS as Inflation Hedges</li> </ul> </li> <li>● <b>Neuroscience/Behavioral:</b> Self-Regulation in Long-Term Planning; Anchoring bias; Adaptation to "New Normal"</li> </ul>
	<p><b>Midterm Exam:</b> March 5<sup>th</sup></p>	
Week 7		<p><b>Black Monday 1987:</b> October 19, 1987 — Dow drops 22.6% in a single day</p> <ul style="list-style-type: none"> <li>● <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ Volatility Measurement: Historical vs. Implied Volatility; VIX</li> <li>○ Value at Risk (VaR): Concept, Methods, and Limitations</li> <li>○ Option Overlay Strategies: Protective Puts, Collars, and Portfolio Insurance</li> </ul> </li> <li>● <b>Neuroscience/Behavioral:</b> Acute stress response; Cascade dynamics; Algorithmic decision-making dangers</li> </ul>
Week 8		<p><b>Asian Financial Crisis &amp; Dot-Com Bubble:</b> 1997-98 Asian Contagion; 1995-2002 Tech Bubble and Crash</p> <ul style="list-style-type: none"> <li>● <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ International Diversification: Emerging Markets and Currency Risk</li> <li>○ Performance Measurement: Sharpe Ratio, Treynor Ratio, Jensen's Alpha</li> <li>○ Know Your Client (KYC): Risk Profiling and Behavioral Assessment</li> <li>○ Valuation Discipline: When Metrics Fail</li> </ul> </li> </ul>



		<ul style="list-style-type: none"> <li>● <b>Neuroscience/Behavioral:</b> Emotional Regulation; Narrative economics; Recency bias; Contagion psychology</li> </ul>
Week 9	<p><b>HW 3</b> Due: March 26<sup>th</sup></p>	<p><b>Global Financial Crisis 2008: Crisis Context:</b> Subprime Crisis, Lehman Collapse, Global Contagion (2007-2009)</p> <ul style="list-style-type: none"> <li>● <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ Fiduciary Duty: Fiduciary vs. Suitability Standards</li> <li>○ Credit Risk Deep Dive: Structured Products and Counterparty Risk</li> <li>○ Client Communication During Crises; Rebalancing Under Stress</li> </ul> </li> <li>● <b>Neuroscience/Behavioral:</b> Cortisol and panic; Trust collapse; Advisor stress management; Biofeedback awareness</li> </ul>
Week 10		<p><b>European Debt Crisis:</b> Greece, Ireland, Portugal, Spain, Italy (2010-2012)</p> <ul style="list-style-type: none"> <li>● <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ Retirement Planning: Defined Benefit vs. Defined Contribution Plans</li> <li>○ Tax-Advantaged Retirement Accounts: 401(k), IRA, Roth, RMDs, Conversions</li> <li>○ Sovereign Risk and Political Risk in Portfolio Construction</li> </ul> </li> <li>● <b>Neuroscience/Behavioral:</b> Uncertainty vs. Risk revisited; Political risk as unquantifiable; Proximity bias</li> </ul>
Week 11	<b>Class Presentations</b>	<p><b>COVID Crash &amp; SVB</b></p> <ul style="list-style-type: none"> <li>● <b>Crisis Context:</b> March 2020 Crash; 2023 Bank Failures</li> <li>● <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ Mutual Funds and ETFs: Active vs. Passive, Selection Criteria, Fee Impact</li> <li>○ Sequence of Returns Risk and Retirement Timing</li> <li>○ Tax-Loss Harvesting: Mechanics and Wash Sale Rules</li> </ul> </li> <li>● <b>Neuroscience/Behavioral:</b> Rapid recovery psychology; Social media amplification; Information overload; FOMO</li> </ul>
Week 12	<p><b>HW 4</b> Due: April 14<sup>th</sup></p>	<p><b>Building Crisis-Resistant Portfolios:</b> Synthesis across all crises studied</p> <ul style="list-style-type: none"> <li>● <b>Wealth Management Topics:</b> <ul style="list-style-type: none"> <li>○ Annuities: Types, Appropriate Use, Fee Analysis</li> <li>○ Trust Structures and Estate Planning Basics</li> <li>○ Practice Management and Career Paths in Wealth Management</li> </ul> </li> <li>● <b>Neuroscience/Behavioral:</b> Integration of Gensis concepts; Personal stress management for practitioners; Self-awareness as professional competency</li> </ul>
	<p><b>Final Exam:</b> April 15<sup>th</sup> – April 17<sup>th</sup></p>	